



**COURT BOUND**—Thomas Hayes, trustee for the bankrupt investment company Bishop, Baldwin, Rewald, Dillingham & Wong, is flanked by attorneys Don Gelber, left, and James Wagner as the three head for federal court this morning. — Star-Bulletin Photo by Terry Luke.

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## Rewald's Monthly Expenses: Quarter of a Million Dollars

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Ronald R. Rewald, head of the bankrupt investment company Bishop, Baldwin, Rewald, Dillingham & Wong, spent an astounding quarter of a million dollars a month on personal expenses, an accountant testified in federal court yesterday.

The testimony came at a hearing to determine whether a court order freezing Rewald's assets should continue after it was learned some \$17 million in investors' money is unaccounted for.

The money Rewald spent on boats, houses, ranches, polo, travel and apartments for relatives, came from funds investors had pumped into the company at a rate of about \$1.3 million a month.

That money was supposed to be invested, but according to accountant Yoshiko Payne, the money went out nearly as fast as it came in, paying for Rewald's expenses and the cost of operating the company.

Such expenses have helped attorneys involved in Bishop,

Baldwin, Rewald, Dillingham & Wong's court-ordered bankruptcy understand why there are few actual assets to cover the approximately \$17 million invested in the company.

PAYNE, WHO was hired by bankruptcy trustee Thomas Hayes to analyze the company's financial records for June and July, said she could not find anything

to show that any money was actually invested in anything. On the other hand, there was plenty of evidence, in the form of canceled checks, to show a tor money is unaccounted for.

There are some of Rewald's monthly expenses:

—\$9,000 to pay a tutor for his children.

—\$11,941 to relatives who are not employees of the company.

—\$9,439 for his boats.

—\$7,150 in donations.

—\$20,558 for upkeep and mortg

age on his North Shore ranch.

—\$39,277 for upkeep and lease of a Waimanalo ranch.

—\$67,233 to the Hawaii Polo Club.  
—\$11,093 for travel.  
—\$18,211 for upkeep and mortgage on a Hawaii Kai home.

IN ALL, REWALD spent \$265,813 in June and \$232,483 in July on personal expenses, using money from the company's investment account, Payne said.

While investors put in \$1.3 million into the company in June, \$1,043,045 went for company expenses. Only \$326,000 was paid out to investors, according to figures compiled by the accountant.

According to court records, polo players and people associated with the polo club received some of the money put into the company. Some were:

—Al Lopaka, Island entertainer and polo player, \$1,200 a month.

—Nolan George, polo player and rancher, \$5,800 a month.

—Bud Gibson of Town and Country Stables, \$4,000 a month.

—Jim Hackleman, public relations consultant for the polo club, \$2,000 a month.

—Ronnie Tongg, polo player, \$2,000 a month.